



ACT
Government

Chief Minister, Treasury and
Economic Development



Australian Government
Commonwealth
Superannuation Corporation

MEMORANDUM OF UNDERSTANDING

ADMINISTRATIVE SERVICES FOR COMMONWEALTH SUPERANNUATION SCHEMES PROVIDED BY CSC 'PROVISION OF DATA'

Between

**AUSTRALIAN CAPITAL TERRITORY, REPRESENTED BY THE CHIEF
MINISTER, TREASURY AND ECONOMIC DEVELOPMENT DIRECTORATE**

and

**COMMONWEALTH OF AUSTRALIA, REPRESENTED BY THE
COMMONWEALTH SUPERANNUATION CORPORATION**

2019

PARTIES: **AUSTRALIAN CAPITAL TERRITORY**, the body politic established by section 7 of the *Australian Capital Territory (Self-Government) Act 1988* (Cth) represented by the Chief Minister, Treasury and Economic Development Directorate (**Territory**).

COMMONWEALTH SUPERANNUATION CORPORATION (CSC) representing and acting on behalf of the Commonwealth of Australia (**Commonwealth**).

PREAMBLE

- A. On and from 1 July 1989 the Territory became responsible for meeting the Territory's Relevant Share of the employer financed portion of entitlements of all employees participating in the Schemes who became Territory Employees with effect on or after 1 July 1989.
- B. The basis for this arrangement between the Territory and the Commonwealth of Australia is provided for in the letter dated 19 June 1990 from the then Prime Minister Mr Bob Hawke to the then ACT Chief Minister Mr Trevor Kaine – **Attachment A**.
- C. The Schemes are administered by the CSC in accordance with section 8 of the *Governance of Australian Government Superannuation Schemes Act 2011* (Cth).

PURPOSE

The purpose of this Memorandum of Understanding is to set out the broad understanding of the parties in relation to the administrative services provided by CSC in relation to the provision of membership and financial data to the Territory for the Schemes.

It is the express intent of the parties that nothing in this Memorandum of Understanding is, or may be construed to be, legally binding on either party and is undertaken in good faith.

IT IS AGREED by the parties as follows.

1. Definitions

The following definitions apply in this Memorandum of Understanding, unless the context otherwise requires.

Actuary means the actuarial firm appointed by the Territory to provide professional actuarial services in relation to the Territory's employer financed portion of superannuation liabilities in respect of Territory employees who are or were members of the Schemes.

Adjustment means the accumulated difference between the Payments made in any Year and the calculated amount of the Territory's Relevant Share of the Employer Financed Benefit Payments incurred during the same Year, as identified in each Report.

Commonwealth Superannuation Corporation (CSC)	means the body corporate continued in existence by section 5 of the <i>Governance of Australian Government Superannuation Schemes Act 2011</i> (Cth).
Data and Financial Information on the Schemes	means the membership data and associated financial information of the Schemes as specified in Schedule 1 (as amended from time to time).
Employer Financed Benefit Payments	means the portion of the total actual benefits paid by CSC to Scheme members that is the employer financed component. The balance of the actual total benefit paid is financed by employee accumulation account balances.
Memorandum of Understanding ‘Arrangements for Commonwealth Superannuation Schemes’	means the Memorandum of Understanding ‘Arrangements for Commonwealth Superannuation Schemes’ between the Territory and the Commonwealth (represented by the Department of Finance) dated 6 October 2017 (as amended from time to time) – Attachment B .
Relevant Share	means the employer financed portion of benefit entitlements accruing after 1 July 1989 which relates to Territory employees period of employment with the Territory.
Payments	means the payments calculated and payable in accordance with each Report (excluding any Adjustment).
Report	means the actuarial report prepared by the Actuary which: <ul style="list-style-type: none"> (1) sets out the Territory’s estimate of the Payments for the next Year; and (2) identifies any Adjustment.
Schemes	means the Commonwealth Superannuation Scheme (“CSS”) established under the <i>Superannuation Act 1976</i> (Cth) and the Public Sector Superannuation Scheme (“PSS”) established under the <i>Superannuation Act 1990</i> (Cth).
Standard Actuarial Data Extract Specifications	is referenced in Schedule 1 and means the document prepared by the Actuary titled ‘Functional Specifications Document – EOFY Actuarial Statistics Extract (ComSAS)’ and sets out file format requirements being ASCII and comma delimited (CSV).
Territory Employees	means employees who were or became employees of the Territory on or after 1 July 1989 and who are entitled to receive benefits under any of the Scheme.

Territory Employment Ratio is the period of a Scheme member's employment, or service period, with the Territory after 1 July 1989 expressed as a proportion of their entire employment service. The Territory Employment Ratio is calculated and provided by CSC.

Year means the period of 12 months commencing on 1 July and ending on 30 June each year.

2. Term

This Memorandum of Understanding continues from its signing until the Territory's financial obligations in terms of the Schemes are discharged in full or the parties otherwise agree in writing.

3. Territory Payments to CSC

The Territory pays its Relevant Share of the employer financed portion of entitlements of all employees participating in the Schemes who became Territory Employees with effect on or after 1 July 1989 in accordance with the provisions of the Memorandum of Understanding 'Arrangements for Commonwealth Superannuation Schemes' – **Attachment B**.

4. Data and Financial Information on the Schemes

- (1) To enable the preparation of the Report that determines the Territory Payments to CSC, CSC will provide the Territory, annually, with the membership data and associated financial information of the Schemes as specified in **Schedule 1** (as amended from time to time).
- (2) The Territory, no later than end February of each relevant Year, will provide a written request to CSC that specifies the membership data and associated financial information of the Schemes requirements for the preparation of the Report. To the extent the requirements are different to the specifications set out in **Schedule 1**, the Territory will clearly identify those requirements.
- (3) CSC will advise the Territory as soon as practicable and not later than 30 June if it is unable to provide any of the requested membership data and associated financial information and provide the reason why.
- (4) CSC will prepare the required membership data and associated financial information as set out **Schedule 1**.
- (5) CSC will deliver the required membership data and associated financial information to the Territory by 31 August in each year unless the Territory and CSC agree that a different deadline will apply.
- (6) The membership data and associated financial information data file will be delivered by CSC to the Territory via CSC's secure online portal for reconciliation and preparation of the Report unless the Territory and CSC agree to a different delivery process.

5. Data Query and Reconciliation Support

- (1) CSC will support the Territory with the resolution of data queries in order that the data is satisfactorily reconciled for its intended purposes in a timely manner.
- (2) CSC will respond to all queries lodged by the Territory, via CSC's secure online portal unless the Territory and CSC agree to a different delivery process.

6. Contact Details

Contact details for the Territory, the Actuary and CSC will be updated annually.

SCHEDULE 1

MEMBERSHIP DATA AND ASSOCIATED FINANCIAL INFORMATION SPECIFICATION

1. Data Sets and Associated Information

The following data sets are required for the entire CSS/PSS membership in accordance with CSC's standard actuarial data extract specifications:

(1) Current Contributors

- (a) Current Contributor Data as at 30 June [●], in accordance with CSC's standard actuarial data extract specifications.
- (b) Partial Payments: Schedule of partial payments made during period 1 July [●] to 30 June [●], if not included in the Exit data.
- (c) Please provide the following data fields for original PSS Contributors affected by family law reductions:

Field Name	Description
Accum Multiple	PSS Accum Multiple <i>after</i> family law reductions
Member components	Member components <i>after</i> family law reductions
Productivity components	Productivity components <i>after</i> family law reductions

(2) Current Preserver/ Deferred

- (a) Current Preserved/Deferred Data as at 30 June [●], in accordance with CSC's standard actuarial data extract specifications
- (b) Partial Payments: Schedule of partial payments made during period 1 July [●] to 30 June [●], if not included in the Exit data.
- (c) Please provide the following data fields for original PSS Preservers affected by family law reductions:

Field Name	Description
Accum Paid	Accum Paid <i>after</i> family law reductions
Accum Prod	Accum Prod <i>after</i> family law reductions
Employer Remaining	Employer Remaining amounts <i>after</i> family law reductions

- (d) Non-member spouse ("Associate") membership records in the Preserver data (i.e. former spouses of ACT current and former employees who have not yet claimed a benefit):

Please provide the following data fields for PSS family law spouse members in Preserver data:

Field Name	Description
Accum Paid	Accum Paid of family spouse
Accum Prod	Accum Prod of family law spouse
Employer Remaining	Employer Remaining of family law spouse
ACT Employer Ratios	ACT Employer Ratio of family law spouse at the effective date of the family law split

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- (e) Confirmation: Can you please confirm that, for PSS Preservers:
 - i. The accumulated Transfer Amount is included in the member and productivity components provided in the data; and
 - ii. The excess of “Transfer Multiple amount” (i.e. Transfer Multiple x Final Average Salary) over the accumulated Transfer Amount is included in the “Employer Component Remaining”.

(3) Contributor Exits

- (a) Contributor Exit Data covering the period from 1 July [●] to 30 June [●], in accordance with CSC’s standard actuarial data extract specifications
- (b) Detailed description of the “Exit Type” and “Exit Option”.
- (c) Confirmation: Can you please confirm that:
 - i. The lump sum components in the Contributor exit data are gross of surcharge debt, i.e. before the surcharge debt is deducted from these components for the payment to the ATO.

(4) Preserver/Deferred Exits

- (a) Preserved/Deferred Exit Data covering the period from 1 July [●] to 30 June [●], in accordance with CSC’s standard actuarial data extract specifications
- (b) Detailed description of the “Exit Type” and “Exit Option”
- (c) Confirmation: Can you please confirm that:
 - i. The lump sum components in the Preserver Exit data are gross of surcharge debt, i.e. before the surcharge debt is deducted from these components for the payment to the ATO.

(5) Current Pensioners

- (a) Current Pensioner Data as at 30 June [●], in accordance with CSC’s standard actuarial data extract specifications.
- (b) Pensioner Exit Data covering the period from 1 July [●] to 30 June [●], in accordance with CSC’s standard actuarial data extract specifications
- (c) Pension commencement date: This is the actual date on which the pension commenced as opposed to the date that the member ceased employment as provided as “Date of Exit”.
- (d) The employer-financed, productivity and member-financed components of the pension for all (if possible) the current PSS pensioners.
- (e) Reversionary Factors and Pension reason for Primary Pensioners: CSC is to provide Reversionary Factors and ensure the ‘Pension Reason’ is provided, not the ‘Type of Pension’.
- (f) Confirmation: Can you please confirm that:

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- i. The pension amount in the pensioner data has been reduced for surcharge when members have elected to make payment of surcharge debt from that pension.

(6) Current Dependant Pensioners

- (a) Current Dependant Pensioner Data as at 30 June [●], in accordance with CSC's standard actuarial data extract specifications. This should include Non-member spouse ("Associate") membership records in the Pensioner data (i.e. former spouses of ACT current and former employees who are currently receiving a pension).
- (b) Dependant Pensioner Exit Data covering the period from 1 July [●] to 30 June [●], in accordance with CSC's standard actuarial data extract specifications
- (c) Pension commencement date: This is the actual date on which the pension commenced as opposed to the date that the member ceased employment as provided as "Date of Exit".
- (d) The employer-financed, productivity and member-financed components of the pension for all (if possible) the current PSS dependant pensioners.
- (e) Confirmation: Can you please confirm that:
 - i. The pension amount in the pensioner data has been reduced for surcharge when members have elected to make payment of surcharge debt from that pension.

2. Other Data Items

- (1) The up-to-date File Specification for each data file set out in items (1) – (6) above.
- (2) Casual Salaries for casual members in PSS: A list of casual salaries received during the Year by PSS casual members.
- (3) The list of ACT Government Agencies.
- (4) A list of membership records which have been consolidated during the Year and the current membership associated with these records.

The parties have executed this Memorandum of Understanding on the

.....Day of 2019

SIGNED for and on behalf of the)
AUSTRALIAN CAPITAL TERRITORY:)

.....
Signature of Territory Officer

.....
Print name and position

SIGNED for and on behalf of the)
COMMONWEALTH SUPERANNUATION)
CORPORATION:

.....
Signature of Commonwealth Officer

.....
Print name and position